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China After Deng: Succession Problems and Prospects

Special National Intelligence Estimate

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SNIE 13-86
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CHINA AFTER DENG: SUCCESSION PROBLEMS AND PROSPECTS

Information available as of 22 May 1986 was used in the preparation of this Estimate, which was approved by the National Foreign Intelligence Board on that date.

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SCOPE NOTE

Since 1978 Deng Xiaoping has sought to ensure the continuity of his political and economic reforms by selecting and securing powerful posts for his chosen successors. To a substantial degree, Chinese politics in the Deng era have been the politics of succession. This Estimate examines succession scenarios, key players, institutional interests, and implications for the United States over the next five years. It also examines regional and provincial aspects of succession as well as how the Taiwan issue, Sino-Soviet, and Sino-Japanese relations might impact on succession.



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KEY JUDGMENTS

Since our last assessment of political succession in China (NIE 13-10-82), the Chinese polity and economy have undergone a dramatic sequence of changes. Deng and his allies have made more progress on their reform agenda than we anticipated, and have achieved considerable success in shoring up their political positions and initiating structural economic reforms. [REDACTED]

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In particular, the earlier Estimate, although recognizing the centrality of Deng's economic program to prospects for his successors, ascribed only a low probability of success for economic reform. We believe the stronger-than-anticipated performance of the Chinese economy markedly strengthens the succession prospects of Deng's reformist lieutenants. As long as they continue to demonstrate their ability to deliver practical results, prospects for an orderly succession are improved. Conversely, a sharp deterioration in China's economic performance or social stability while Deng is still in power would damage significantly the equities of his chosen successors. [REDACTED]

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Barring such an unforeseen event,¹ we believe the present balance of forces within the party basically sets the course for the duration of this decade. China's reformist leaders are in the midst of consolidating their position, and it will be exceedingly difficult for a small group of leaders to upset the political balance in Beijing. A calmer political culture has been established under Deng. Mao-style upheavals have been rejected. Conservatives simply do not have the power to win control of the Standing Committee, put a new Politburo and Secretariat in place, and dismantle both the policies and the broad leadership net that Deng has built up. And, once he is gone, it is doubtful whether there would be any old guard leader possessing the prestige, political power, and personal stamina to see the necessary changes through. [REDACTED]

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When Deng dies or can no longer effectively control China's politics, the central question before the leadership will not be who becomes the titular head of the party, but who will really wield Deng's power. Short of a major power struggle and breakdown in social order, an exigency we consider unlikely, the post-Deng party elite and not the military will decide the issue. Reformists are the strongest force on the current Politburo and Secretariat. [REDACTED]

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¹ Despite the many hazards that will confront China's modernization effort, we believe the most likely outcome over the next decade will be a general continuation of reform and an uneven but gradual growth of China's economic strength, stability, and power. [REDACTED]

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Therefore, we are reasonably confident that reformist leaders would inherit Deng's mantle in relatively orderly fashion. *The most likely such scenario, if Deng were to leave the political scene tomorrow, would be a two-stage process:*

- Hu Yaobang would maintain his position as General Secretary but would defer to the surviving party elders so long as they did not tamper with longer term succession arrangements.
- One of Deng's generational peers—we believe President Li Xiannian or Politburo member and Military Commission Vice Chairman Yang Shangkun most likely—would assume some of Deng's responsibilities as broker, although much less effectively than Deng has done.
- Zhao Ziyang would remain as Premier, and the rest of the leadership would remain largely intact.
- As time passed and the elders began to fade, a second stage of the succession would begin to unfold, in which Hu, Zhao, and several younger leaders assumed greater prominence and established their own power relationships that more fully consolidated their positions. After a period of sorting out, we expect another "first among equals" to emerge in Beijing.

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In the event Deng were not to leave the political scene for some time, the most likely scenario would be a relatively easy, one-stage transition in which younger reformists would take power, having consolidated their positions under Deng with the passage of time.

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Other possible succession scenarios are conceivable, but we view them as much less likely to occur than the above. For example:

- The reformist group that Deng has led could break up into mutually exclusive groups once his stabilizing influence is removed.
- Party elders might voluntarily withdraw, declaring their support for a succession to a younger leader, such as Hu Qili.
- Hu Yaobang, Zhao, and other reformist leaders might decide to purge the remaining party elders.
- The old guard might attempt a coup of its own, seeking in particular to oust Hu Yaobang.
- Disgruntled military officers might attempt a coup, or the radical left might somehow return to power—although either of these is the least likely of all outcomes.

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In any event, the United States (or any other foreign power) has little prospect of affecting succession outcomes in China. In our view, concerns of domestic political power, not policy issues, will be

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controlling; and foreign policy considerations—short of some crucially important new development affecting the strategic environment—will be marginal at most. In fact, we believe Beijing will continue to pursue a pragmatic orientation in foreign policy, regardless of the likely successor regimes.

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Nonetheless, succession outcomes will have an important effect on the character of US-China relations. We expect any reformist succession regime to value continued correct relations with the United States, on the basis of strategic calculations and economic need. There could be important variations in tone and cooperativeness, however, on the basis of who emerges as China's most powerful leader in a post-Deng situation:

- The best outcome for US interests, regional and global, would be the emergence of pragmatic moderate leaders such as Zhao Ziyang or Hu Qili. Such leaders would be less inclined to stir up trouble over Taiwan or work very hard for close Sino-Soviet ties. They would also be more inclined to continue closer economic relations in the short term with the West.
- The most likely outcome, however, will be a regime dominated by Hu Yaobang.

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Hu may see more openings for better relations with the Soviets than other reformist leaders.

- A conservative, elderly leadership is an even less desirable succession outcome for US interests in Asia. The old guard are less inclined toward the domestic economic priorities that influence the foreign policy of the reformers, and they harbor more ideological reservations about dealing with the capitalist West. Although they are not pronouncedly pro-Soviet, their long experience with Soviet-style economic methods might make them more willing to draw closer to Moscow for economic purposes and perhaps on some global issues.

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DISCUSSION

Background

1. Since our last assessment of political succession in China (NIE 13-10-82), the Chinese polity and economy have undergone a dramatic sequence of changes. Deng and his allies have made more progress on their reform agenda than we anticipated, and have achieved considerable success in shoring up their political positions and initiating structural economic reforms.

2. In particular, the earlier Estimate, although recognizing the centrality of Deng's economic program to prospects for his successors, ascribed only a low probability of success for economic reform. We believe the stronger-than-anticipated performance of the Chinese economy markedly strengthens the succession prospects of Deng's reformist lieutenants: as long as the reformist leadership continues to demonstrate their ability to deliver economic results, their political grip must strengthen. In fact, we believe the most likely outcome over the next decade—despite the many hazards that will confront China's modernization effort—will be a general continuation of reform and an uneven but gradual growth of China's economic strength, stability, and power.

The Current Political Scene

3. Deng has never been the party's titular chief. Formally, he is ranked higher now—second, behind Hu Yaobang—than at any previous time. Yet, despite China's acutely hierarchical system, Deng—as broker, conciliator, and final decisionmaker—has clearly been China's boss for several years. Paradoxically, it is precisely this state of affairs, in which a more junior leader officially presides while the subordinate elder leader actually rules, that may force any still active leaders of Deng's generation—men like President Li Xiannian, Politburo Standing Committee member Chen Yun, Military Commission Vice Chairman Yang Shangkun, and National People's Congress Chairman Peng Zhen—into eventual competition with party General Secretary Hu Yaobang for recognition as the party's dominant leader. When Deng dies or is incapacitated, the main task before the leadership will not be the formal selection of a new party chief—that post

will be occupied by Hu or another younger leader. The immediate succession issue will be to answer the more complex question: who will wield Deng's power?

4. Like Mao, Deng has sought to present his colleagues with formal succession arrangements that will make power distribution a foregone conclusion on his death or incapacitation. Also, like Mao, he has become somewhat dissatisfied with the performance of his chosen heirs, although he has not pursued Mao's radical remedy of a wholesale political purge. In the final analysis, however, it will still be the post-Deng party elite who will decide the succession. That is, a small circle of the most powerful leaders will have to choose between leaving Deng's succession arrangements basically intact, or modifying them

5. Since our earlier Estimate, the individuals, institutions, and political processes that will shape choices have changed significantly. From 1981 to 1985, most important central and provincial leadership positions have changed hands, and many, more than once. The first phase in Deng's six-year effort to install "younger, more revolutionary, better educated, and technically competent" officials in the top posts culminated in September 1985 at the National Conference of Party Delegates, which endorsed changes affecting approximately one-fourth of the Central Committee membership

6. *Central Committee.* As a result of the September party meetings, the Central Committee for the first time has a markedly reformist cast. Approximately 19 percent of the 343-member body is now made up of first-time members. Generally younger and better educated, the new members are predominantly newly promoted ministers and provincial officials whose appointments were expressly intended to further reformist goals. Military representation on the Central Committee was reduced to 56 members (about 16 percent), its lowest point in decades.

7. *Politburo/Politburo Standing Committee.* At the party meetings, 10 Politburo members—eight of whom were in their seventies or eighties—"retired" from their posts, and six younger members were

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**Politburo and Secretariat:
Probable Balance of Forces**

Reformers	<Leaning	Swing	Leaning>	Conservatives
Politburo				
Deng Xiaoping	Yang Dezhi	Yu Qiuli	Yao Yilin ^a	Li Xiannian
Hu Yaobang	Ni Zhifu	Li Peng ^b	Hu Qiaomu	Chen Yun
Zhao Ziyang			Chen Muhua	Peng Zhen
Wan Li			(alternate)	
Xi Zhongxun				
Fang Yi				
Tian Jiyun ^b				
Qiao Shi ^b				
Yang Shangkun				
Wu Xueqian ^b				
Hu Qili ^b				
Qin Jiwei (alternate)				
Secretariat				
Hu Yaobang		Yu Qiuli		Deng Liqun
Hu Qili		Li Peng ^b		
Wan Li		Chen Pixian		
Tian Jiyun ^b				
Qiao Shi ^a				
Hao Jianxiu ^a				
Wang Zhaoguo ^a				

^a Promoted from alternate member, September 1985.^b New member, September 1985.

This table is Confidential Nofor.

added, reducing total Politburo membership from 26 to 22. With the retirement of Marshal Ye Jianying, the Standing Committee was reduced to five members: Hu Yaobang, Deng Xiaoping, Zhao Ziyang, Li Xiannian, and Chen Yun, leaving reformers with a 3:2 advantage on the party's most powerful body. Although the reorganized Politburo spans the entire spectrum of Chinese politics, in our analysis, the reform group holds a slim but absolute majority on that body (see table). The ranks of conservative party elders have been drastically thinned, but the most important players stayed on, particularly Chen Yun and Peng Zhen. Because the reformers face no cohesive opposition bloc on the Politburo but rather a loose collection of conservatives, moderates, and swing votes, we judge their plurality to be stronger than the bare numbers indicate.

8. **Secretariat.** The political balance on the 11-member Secretariat since the September party sessions is even more pronouncedly pro-reform. The solid reform core of Hu Yaobang, Hu Qili, and Wan Li was strengthened at the September party meetings by the

addition of five new members, all of whom are considered pro-reform to varying degrees.

9. **A Stabilized Balance.** Barring an unforeseen disaster, we believe the balance of forces within the party that emerged from the September 1985 meetings basically sets the course for the duration of this decade. China is now in the midst of a reformist consolidation, during which it will be exceedingly difficult for a small group of leaders to upset the political balance in Beijing. The arrangement of party institutions will be difficult for conservatives to shake partly because of the calmer political culture established under Deng and the rejection of Mao-style upheavals, and, consequently, because conservatives would have to follow a path Deng laid out: win control of the Standing Committee, put a new Politburo and Secretariat in place, and dismantle both the policies and the broad leadership net that has been built over the past three years. Once Deng is gone, it is doubtful whether there would be any old guard leader possessing the prestige, political power, and personal stamina to see those changes through.

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Other Succession Participants

10. If the current political conditions of stability and relative consensus continue to obtain at the time Deng leaves the scene, various of these other institutions and participants will play only a facilitating or insurance role. Under some circumstances, however, especially if Deng's departure precipitated a serious breakdown in social order—the role of the military and public security organs could grow substantially larger and, perhaps, even be determining.

11. **People's Liberation Army.** Since the earliest days of China's revolution, the People's Liberation Army has been one of the main pillars of party power. It is well represented at the party's upper echelon, has the best and fastest electronic communications in China, its own newspapers, periodicals, and documents system, and many of the country's finest research and production facilities. It is heavily garrisoned in every important region, has vast experience in local pacification, and when called on has intervened in politics with great effect. As a result, the Army remains a most important political actor.

12. Deng and others have devoted considerable energy to reforming the Army, both in its relationship to the party and government and as a professional military organization. As chairman of the party and state military commissions, Deng has sought to distance the Army from politics and to ensure its loyalty during a succession. Within the armed forces, he has introduced reforms that have brought about nearly a complete turnover of commanders at every level, the demobilization of hundreds of thousands of officers and men, and improvements in war-fighting capability, weapon and logistic systems, and morale. Although there has been some dissatisfaction with aspects of Deng's military reforms, the strength of his leadership was demonstrated during the Fourth Plenum of the 12th Central Committee in September 1985, when seven career officers resigned from the Politburo.

13. In our view, one of the key questions involving the succession to Deng concerns his replacement as chairman of the party Military Commission, a job perceived as one with great powers. Since late 1984,

Deng intends for Hu Yaobang to replace him as Military Commission chairman. Hu has not done so, and for this reason, more than any other, the succession picture is not yet wholly clear. Several explanations of Hu's failure to assume the military

post have been rumored or adduced: that senior military officers oppose the move, that Deng has changed his mind, and that party leaders are reluctant to grant Hu additional authority. None of these is compelling.

14. We believe, however, that the centrality of the Military Commission chairmanship to the political succession does not make the armed forces any more influential in that decision. In fact, the ultimate choice of Deng's successor on the Military Commission will be made by the party leadership, not by the Military Commission alone. Senior soldier politicians will be consulted on that choice but, in our view, are unlikely to have predominant influence. Deng has strongly reinforced the time honored precept that the armed forces must be subordinate to party leadership, and we are persuaded that none of the political leaders who may vie for Deng's power are inclined to alter the civilian-military balance, nor would any senior military leader lightly consider intervening on the side of one or another potential leader.

15. **Ministry of Public Security and People's Armed Police.** The ministry and the Armed Police, in our view, are most important primarily as peacekeeping forces in the event of social disorder. Reformers within the party have been tinkering with the security apparatus at least since the 12th Party Congress in 1982, largely, we believe, to curb the bald abuses of power that had long characterized the police force and to line it up more securely behind the reforms. The most recent personnel shakeup in the ministry placed at its head a reformist technocrat who has career ties to Hu Yaobang.

16. **Party General Office.** The General Office performs two functions that will be of prime importance during a succession period. First, it is responsible for the dissemination of party documents, basically determining who gets to see what. Second, and of potentially crucial significance, it provides for the physical security of the top leadership through its Central Guards Bureau, which formally is subordinate to the Ministry of Public Security but in fact operates out of the General Office and is directed by its First Deputy Director, Yang Dezhong. The bureau has detailed knowledge of the movements and special requirements of each Politburo- and Secretariat-level leader and not only protects but provides for the physical comfort of the leadership. Its potential power was amply demonstrated in 1976, when the bureau, then known as the 8341 Unit, arrested Mao's wife and her three Shanghai colleagues, the so-called Gang of Four.

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17. Deng and his allies have attended carefully to ensuring the absolute loyalty of the General Office and Guards Bureau directors. Like other departments within the party bureaucracy, the General Office has been reorganized and placed under reformist leadership. The current director, Wang Zhaoguo, is a reliable reformer who recently was named to the Secretariat and whose star is one of the most rapidly rising in China. Yang Dezhong has directed the Guards Bureau since the late 1970s and presumably is trusted by Deng. [REDACTED]

Contesting Individuals

18. *The Party Elders.* In China, power within the party has tended to gravitate toward the most experienced senior veterans who have developed the personal connections necessary to sustain a long political life. In our view, political power in China is structured in such a way that, *in the near term*, no younger leader could slip into Deng's shoes and play his pivotal roles. Despite increasing institutionalization, Chinese politics remain dominated by *guanxi*—simply, personal connections or “pull”—and Deng has the *guanxi* to deliver where others cannot. Even his political opponents seem to regard Deng as a man of honor who keeps his end of a bargain. Few men outside the most senior leaders can approach the kind of support Deng routinely commands. [REDACTED]

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19. For a variety of reasons—not the least of which is a jealous preservation of their unique standing within the party—the elders seem to place an inordinate reliance on the collective wisdom and vision of their own generation. In our view, China's second- and third-echelon leaders are regarded by the revolutionary veterans as distinctly junior members of the party elite. For the immediate period after Deng's death, therefore, we believe—should the current leadership remain otherwise intact—that Deng's generational peers have the prestige, *guanxi*, and bureaucratic clout to decide the distribution of power. If they should survive Deng in sufficient numbers, a majority of party elders could close ranks, insist on moving down the pecking order of the gerontocracy, and look to one of their own for leadership. [REDACTED]

20. Succession estimates must therefore be concerned not only with Deng's death but with the deaths of his generational peers. During the next five years, it is highly probable that most of those remaining from the “founding” generation will either die or become otherwise inactive. Chen Yun and Li Xiannian have long been ailing, Peng Zhen is 84, and Yang Shangkun,

Deng's man, seems the fittest of the lot but is about 78. Although Deng's health probably is superior to either Chen's or Li's, it seems no better than Peng Zhen's. In our judgment, the order in which the top leadership departs the political scene is perhaps central to short-term prospects for a smooth succession. This is so because three of the four most powerful party elders—Li, Chen, and Peng—have, at one time or another, been at odds with aspects of Deng's reform program. Although all the elders have broadly supported structural change and economic reform, some have expressed serious reservations about pace, scope, and several specific reform policies. All tend to favor “collective leadership”—in which their influence will weigh heavily—and a rejuvenation of party leadership, although they may not fully support Deng's succession choices. [REDACTED]

21. *The Successor Generation.* In our view, the practical range of succession candidates is narrow—largely because of Deng's personnel measures—and the criteria according to which they are evaluated will be fairly specific. Although it is conceivable that a relative unknown may rise suddenly to a position of great importance, we view this as highly unlikely and confine our attention to the group of leaders who are current members of the Central Committee. We narrow our focus in this way because the Central Committee itself has been shaped precisely with the succession in mind by the very political forces and players that ultimately will determine the post-Deng leadership. [REDACTED]

22. Moreover, we believe the field must be delimited further. We estimate that all the party's most important national leaders over the next five years will be drawn from three classes of officials: those currently sitting on the two top party bodies, the Politburo and Secretariat; those who head national departments within the party bureaucracy (both military and civilian); and those who are principal party secretaries in China's 29 provincial-level jurisdictions. In our view, the post-Deng configuration of political power will emerge from the group of approximately 60 officials. [REDACTED]

23. The current Central Committee and, more important, the core of 60 key leaders have been chosen according to political criteria established under Deng, and we expect prospective leaders during the next five years generally to reflect Deng's preferences. Although the age of these leaders ranges from 42 to 83, those most relevant to the succession question are clustered in the 50 to 60 group and are part of China's second

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and third echelons. Generally, they share common traits and career patterns:

- All have spent their entire adult lives in the party, but some have developed expertise in specific professions (like banking or engineering) other than general politics.
- As a rule, they have devoted greater attention to formal education than the party veterans they will replace.
- Virtually all, including those of a relatively conservative cast, appear generally agreed that the policies and practices of the Mao era were disastrous for China. None can be considered a “leftist” in any historical sense of that term.
- Most have “clean” Cultural Revolution records; that is, almost all resisted or in some way were victimized by the radicalized party leadership of that period. []

24. The most important second- and third-echelon leaders—and the men about whom most succession speculation has focused—are Hu Yaobang, Zhao Ziyang, Wan Li, Yao Yilin, Hu Qili, Qiao Shi, Tian Jiyun, Li Peng, and Wang Zhaoguo (see foldout at back). []

Succession Scenarios

25. *Prologue.* At present, the key uncertainties concern Deng's precise intentions and the standing of Hu Yaobang. These were less problematic when the succession Estimate of 1982 was written. At that time, we were reasonably confident that Deng's succession plans called for Hu to serve as party chief and Zhao as premier following Deng's death. That analysis was consistently confirmed by Deng's own statements and by a wide variety of intelligence reporting. Since that time, our knowledge of Chinese politics and personalities has advanced considerably. Moreover, the general leadership picture is far more stable now than it was four years ago, when Hua Guofeng remained a Politburo Standing Committee member and it was uncertain whether Hu Yaobang or Zhao Ziyang would remain on the scene for the duration of the Estimate period. []

26. Nevertheless, our more detailed understanding includes little direct information on the current status of succession planning. From the spring of 1985 until the September party meetings, accounts of a new succession arrangement circulated through Beijing, the

provinces, and among the Hong Kong “China-watching community.” It was reliably reported that Deng would vacate the chairmanship of the party Military Commission for Hu Yaobang and that Hu Qili would replace his mentor as party general secretary. On the state side, Li Xiannian reportedly was set to retire, Zhao to move to the presidency, and Li Peng to become premier. This arrangement was repeatedly confirmed in intelligence and Hong Kong reports until the September sessions, when the stories stopped completely. The story was revived in late March of this year when China's weekly news magazine for foreign audiences, the *Beijing Review*, referred to Hu and Zhao as connecting links between the pioneers and the successors of the revolution, implying that Hu Qili and other third-echelon leaders were the true successors. []

27. *Deng's Intentions.* We cannot reconcile the strong signal on succession issued by Beijing in mid-1985 with the subsequent silence from all quarters following the September meetings. We believe Deng may intend one of two options:

- Deng may be satisfied with the current configuration of leaders, which, in our view, favors reformist continuity at the top party and state levels. Under these circumstances, it may then be left to Hu and Zhao to manage the succession following Deng's death, more or less as executors of his political will. Circumstantial evidence supports this interpretation: neither Hu nor Zhao appear to be leaders preparing for an exit, both seem to enjoy Deng's continued support, timing their departures may be particularly difficult—a change in the top leaders almost certainly would be viewed by Chinese as a reform-related political retreat—and both have recently strengthened themselves with their respective bureaucracies.
- Alternately, Deng may still be committed to the succession arrangements circulated in mid-1985 and, at an opportune moment, may replace Hu and Zhao with younger, more energetic leaders who can assure leadership—and therefore policy—continuity into the next decade. Circumstantial evidence supports this interpretation also. It is apparent from Deng's comments and the personnel appointments made over the past three years that he fully intends for the “third echelon”—party leaders in their forties and fifties who have been selected for future prominence—to assume most of the routine responsibilities of leadership and to do so before Deng departs the scene. Deng has avowed publicly that Hu Yaobang and Zhao

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Ziyang both are already old men. Younger leaders such as Hu Qili, Tian Jiyun, Li Peng, and Qiao Shi obviously are being groomed for top party and state posts and have played a more visible role since the September party meetings.

28. **The Trouble With Hu.** From the outset, the principal sticking point in Deng's succession arrangements appears to have been Hu Yaobang. Hu was a controversial choice to head the party, not only among the party veterans but also for the rank and file. He is hard driving, outspoken, abrasive, and too "liberal" for many party traditionalists. Deng, however, obviously saw in Hu a pugnacious "doer" who could goad the hidebound party bureaucracy into action, work long hours attending to necessary detail, go on inspection tours, and thereby allow Deng the freedom to play the sagacious elder statesman. Most important, Deng must believe that Hu will continue to support the policies both have worked to set in place.

29. Hu's rise under Deng's tutelage and his tendency to stake out extreme positions have drawn fire from numerous critics. During his five years atop the party bureaucracy, Hu has absorbed much of the criticism and little of the credit for China's policies, and he is personally associated with the most controversial aspects of the reform, such as efforts to propagandize China's newly wealthy peasant households and the push to replace superannuated officials.

30. Among his critics, Hu's views and unconventional, combative style have tended to overshadow his political and organizational abilities, with the consequence that Hu has had problems winning the full approval of senior party traditionalists. To some party veterans, Hu is a man who jumps too easily to conclusions, is too readily tempted to impetuous action, and therefore may not be quite up to the job of party general secretary.

leaders such as Chen Yun, Zhao Ziyang, and even Deng Xiaoping have at one time or another been critical of Hu's performance.

31. By the spring of 1985, when the new succession package entered circulation, Hu had already committed a number of public *faux pas*, which fueled speculation that Deng would move Hu to a post with less public exposure. Despite circumstantial evidence that Deng and Hu disagree on aspects of policy, there has been no convincing evidence that they at any time have had a serious falling out. Deng, however, probably weighed his colleagues' reservations about Hu into

his deliberations on the succession. We have seen no convincing evidence, nevertheless, that Deng has lost confidence in his protege of more than 40 years.

32. **The Plan.** It is more probable, however, that Deng wished to preserve both the influence of Hu (and Zhao Ziyang) as well as to demonstrate progress toward rejuvenation at the highest party and state levels by bringing in third-echelon leaders. In our view, therefore, the competing interpretations of Deng's intention can be merged into a relatively unified view. At the same time, Deng may be urging them to follow his own way to reduced, selective involvement in routine affairs of party and state. Rather than moving off to purely honorary duties, the two leaders may remain members of the Politburo Standing Committee. If the leadership package of mid-1985 is still intact, it will have fostered the impression of a working "cadre reserve" not only for provincial and lower-level positions but for the topmost posts as well. The arrangement seems to advance the reformist cause in several ways:

- It would put in place a leadership group committed to reform and young enough to be able to see plans through and would do so while Deng is still alive and able to oversee its consolidation of power.
- It would lessen the possibility of a messy power struggle over the succession to Hu Yaobang.
- It would make Beijing's cadre rejuvenation policy more credible by extending it to the highest ranks of the party and state.
- To a degree, it may mollify conservative concerns about Hu Yaobang and prevent Hu from acquiring the power of China's two key posts.
- It would tend to advance Deng's efforts to clearly separate party and government authority, again preventing one leader from acquiring too much power.

33. Such a plan may at the moment remain a dormant item on Deng's agenda, pending other more pressing business. We believe that, eventually, Deng wants Hu Qili to replace Hu Yaobang as party general secretary at an opportune moment. In our view, Deng probably wants to put this plan into effect at or before the 13th Party Congress, scheduled for some time in 1987. The package may or may not have the Central Committee's official endorsement. It is conceivable that the

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details of Deng's arrangements are highly classified and have been circulated only in restricted channels. It is also possible they are strongly opposed by various party leaders. Hu Yaobang's status seems a continuing problem. To a lesser extent, so seems the identity of Zhao's successor. But, even if Deng's plan ran into political trouble over the summer of 1985, it would be out of character for Deng to accept a setback on so important an issue and then to resign himself to arrangements cobbled together through politics. We presume, therefore, that Deng's succession proposals of 1985 are the reformist succession agenda and will be the center of controversy if Deng dies before he can put them into effect. [REDACTED]

34. **Key Succession Concerns.** In our estimation, *three key variables* in the succession to Deng will be *the condition of China's economy, the longevity of Deng and other key elders, and Hu Yaobang's ambitions.* [REDACTED]

35. *An ailing economy* will complicate the transfer of power in post-Deng China. Conversely, a continuation of China's generally healthy economic performance will all but ensure the continuation of reformers in office. The Chinese economy, although experiencing its share of problems, has done far better than most observers expected, but critics of reform tend to judge the reforms on other than purely economic grounds, such as ideology and social impact of the new policies. Deng and his allies have demonstrated considerable flexibility and willingness to compromise on economic problems, in part because they view their own programs as experimental and unproven, in part to undermine critics and neutralize the economy as succession issue. [REDACTED]

36. *If Deng outlives other powerful members of the party old guard,* chances for a smooth succession will improve. There are differences among the reformers most closely allied to Deng, but it is highly unlikely that, within the period of this Estimate, these differences could form the basis of a succession struggle. However, if Deng should die before Chen Yun or Peng Zhen, the party elders would be in much better position to assert their own preferences or, more probably, to play the principally negative role of undermining or delaying what they do not like. Should several powerful elders outlive Deng, they may be able to exercise a veto over the ensuing distribution of power. In our estimation, if even one of the most important of the elders survives Deng, a younger successor such as Hu would in the short term be constrained to defer to the older leader. [REDACTED]

37. *Hu Yaobang's own ambitions* are a topic for speculation, and, while Deng lives, are largely a function of Deng's intentions. On several occasions since 1984, Hu has intimated publicly that he may vacate his post by the next party congress in 1987. The succession plan of mid-1985, however, raises several questions concerning Hu's status. It is not clear, for example, that Hu is willing to resign voluntarily the post of General Secretary or that he still expects to assume the post of Military Commission chairman. If he does, the military leadership finally must have reconciled itself to Hu's leadership, but we have seen few signs of this. [REDACTED]

38. That the Politburo may already in principle have decided on its future composition, and, consequently, on who will lead the party is at least a possibility. [REDACTED]

[REDACTED] at the summer meetings to prepare for the September party sessions, the Politburo fixed an age limit of 72 for its members. The measure reportedly does not affect Politburo members already past the retirement age. Thus Deng Xiaoping and other senior leaders would be immune from the provisions, while Hu Yaobang, who will reach the ceiling in 1987, when the next party congress is scheduled to meet, could be compelled to step down. The regulation was probably intended to facilitate an orderly succession, perhaps to mollify Hu's critics, and may even have been framed with Hu specifically in mind. [REDACTED]

39. We rule out a long period of collective leadership for China after Deng. The current regime in some respects already operates more collectively than its predecessor under Mao, but, when issues have snarled, it has fallen to a single man, Deng, to cut the knot. After a period of sorting out, we expect another "first among equals" to emerge in Beijing. This leader, like Deng, will need the respect of his peers, the experience to bring issues to closure, and the personal and bureaucratic connections enabling him to discipline rebellious junior officials. [REDACTED]

40. **Calling the Succession.** As the foregoing discussion suggests, any attempt to sketch out a range of succession scenarios necessarily must be broadly speculative. For most of the scenarios discussed below, including what we term the "most likely case," a two-stage process is posited: during the first stage, political relations are clarified; in the second, political power is consolidated by whoever gained most during the earlier period. In the first stage, Deng's leadership proposal of 1985 probably will drive succession politics. For a relatively brief period, perhaps less than a

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year, considerable positional jockeying will take place as the players look to their interests and take soundings on potential measures to shore up political liabilities. During this first stage, we believe the surviving elders of the revolutionary generation will continue to play a strong role and will generally press for arrangements that best suit their interests. Their range of influence will nevertheless be restricted by the preponderance of younger, more dynamic leaders in the top party, state, and military organs. The younger leaders will not, in our view, seek to convert their numerical superiority into a victory by force. Both elders and younger leaders probably will want to avoid a showdown atmosphere, not only because of the political risks involved for all sides but also to preserve the semblance of leadership stability and unity as the elite goes about filling the vast vacuum Deng will leave.

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41. The second stage will occupy the remainder of the Estimate period and beyond. In our view, although the structure of power will be less clear cut, the main feature of the later succession years will be the emerging authority of a new generation of party elders: men such as Hu Yaobang and Zhao Ziyang, who by 1990 will be less than 75 years old and will have been able to establish strong political bases within the party and state. Those leaders we currently identify as part of the "old guard" will begin to fade from the scene, unable for lack of energy or reliable support from below to compete with more energetic younger leaders. During this period, new political cleavages are likely to appear as the principal successors jockey for power and authority among themselves and as China's changing economic and strategic conditions present the leadership with new challenges and problems.

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42. *The Most Likely Case.* A sequence of procedures triggered by Deng's death or incapacitation almost certainly has been predetermined in Beijing. We expect the Politburo to convene, probably with the Secretariat and assorted elders, in an expanded meeting. When Deng dies, a funeral committee will be formally named, or, more likely, a preset committee endorsed. As the ranking member of the Politburo Standing Committee, Hu Yaobang almost certainly will head the committee and deliver the eulogy. The Military Commission chairmanship may be an issue if Deng has not by that time stepped down: the Politburo may take preliminary steps toward appointing a successor or, more simply, can opt to continue as before, with the commission permanent Secretary General presiding over the work of that organ.

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43. In the immediate aftermath of Deng's death or incapacitation, the party elders will be at their maximum influence. The interests of the reformist successors appear best served by continuing to defer to the veteran revolutionaries, preserving the appearance of relative harmony at the top and content that time ultimately is in their favor. Younger leaders, who generally are in control of the bureaucracy, probably will use a variety of procedural dodges to close off political tampering with succession arrangements by party elders.

44. Demonstrating concern for the veteran revolutionaries in the short term may well be accomplished by permitting an elder to assume Deng's role in having the final say on the largest matters. We believe either Li Xiannian or Yang Shangkun is best suited for the role of ranking elder. Both, in our view, are more able to stand above the fray and perhaps have their political equities spread more evenly throughout the bureaucracy. From the elder candidates, we specifically exclude Chen Yun because of his physical infirmities and Peng Zhen, who may have been neutralized by reports of corruption within his family. Whoever assumes the role, however, will not be another Deng Xiaoping. None of the likely candidates has Deng's unique combination of skills, initiative, power, and prestige.

45. If Deng were to die soon—while the current leadership configuration is intact—the reformers may put prudence before other considerations and temporize on outstanding personnel questions, thereby cooling the controversy that apparently has surrounded the leadership proposals of 1985. We do not therefore expect Deng's death to trigger an upheaval in the top government leadership. Zhao Ziyang will remain Premier, at least through what we identified above as the first stage of the transition period. Hu Yaobang will remain the General Secretary, but his behavior at this time will be critical to succession outcomes. He probably is politically resourceful enough to control his ambitions and keep the situation on an even keel.

46. If the first stage of the succession proceeds roughly along lines discussed above, the reformers—and especially Hu and Zhao—will be in fine political shape for consolidation in the second stage, as the current generation of elders musters out of politics and the succession regime settles into "normal" politics. As Hu, Zhao, and select other leaders of their generation grow in stature and authority, they will face the same choice as Deng: either to assume a lowered profile, operating largely behind the scenes through reliable

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subalterns; or to insist on retaining their places as the top party and state officials, presiding over routine affairs. [REDACTED]

47. Both men will become increasingly preoccupied with their own succession arrangements and with further defining the structure of party power. Over the latter part of the Estimate period, the younger leaders now on the Politburo and Secretariat will dominate speculation over the allocation of top party and state slots, but new, currently unknown, leaders almost certainly will come to the fore as a "fourth echelon" begins its ascent. [REDACTED]

48. If Deng remains in his current state of good health for at least another year or two, the prospects for a smooth succession are even stronger. On the basis of available evidence, we believe Deng will continue his efforts to install a second-stage succession, as described above. If he is successful and a leadership core of Hu Qili, Tian Jiyun, or Li Peng, and perhaps Qiao Shi is emplaced at the 13th Party Congress, succession essentially will have been completed, and Deng could withdraw from political activity with less likelihood of political disruption. The succession process would then be a one-stage consolidation effort on the part of younger leaders who had established their positions under Deng's protection. [REDACTED]

49. *Less Likely Scenarios.* Other outcomes worth considering are discussed below in the order of estimated probability. [REDACTED]

50. *The Elders Retreat.* The senior leaders may choose fully to accept Deng's arrangements and throw their collective weight behind a true third-echelon succession to Hu Qili and either Li Peng or Tian Jiyun. By stepping aside, the old guard would be seen as voting for stability and continuity, values Deng has sought to institutionalize. However, they may only be abandoning the field to the most powerful second-echelon figures. Doing so would, in our view, be the equivalent of allowing Hu Yaobang and Zhao Ziyang to have absolute sway over outcomes in the succession period. [REDACTED]

51. Moreover, loss of official position, whether through retirement or demotion, has always entailed loss of status or face as well. Although Deng managed to effect a more or less voluntary surrender of power by 10 Politburo members at the Fourth Plenum in September 1985, the younger leaders would presumably have to grant concessions to the elders on a broad range of policy questions and protocol issues in order to buy their compliance with succession arrangements. For the short term, then, policy could become more

conservative, deliberate, and dogmatic following a retreat by the old guard. Over the long run, however, the preferences of the young reformers would become more evident. [REDACTED]

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52. *Coup of the Successors.* It is conceivable that Deng has not only protected his youthful proteges from bullying by party elders, but that he also has restrained the newly powerful second- and third-echelon leaders from wholly deposing the remaining veteran revolutionaries of Deng's own generation. When Deng dies, Hu, Zhao, and younger leaders, emboldened by a long run of success in securing favorable personnel placement in the center and provinces, may attempt to fully consolidate a successors' regime by seeking to dislodge elders like Chen Yun and Li Xiannian from their satrapies within the party. [REDACTED]

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53. In our view, however, any effort to exclude the elders from significant political participation, aside from shattering the myth of leadership harmony, would not only court the unified opposition of threatened senior civilian and military leaders, but would also likely split the ranks of younger reformers, which are populated with the children of high-ranking officials. [REDACTED]

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54. *The Elders' Revenge.* With Deng out of the way, the party's old guard conceivably could seek to install its own choices in the top party and state posts and attempt to reverse aspects of reform they consider most onerous. Under such circumstances, Hu Yaobang would be the most obvious target for replacement, perhaps even in order to hasten the accession of Hu Qili. Some government leaders like Tian Jiyun, who previously have been under challenge, may also be threatened. Zhao Ziyang, on the other hand, seems to have won high marks across the board and may be virtually immune to a move by the elders. [REDACTED]

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55. We believe, however, that most of the veteran revolutionaries will place an overwhelming value on political stability and, if unprovoked, will be loath to act contrary to standing arrangements in a precipitous fashion. Moreover, it seems that the process of displacing a leader like Hu Yaobang, who already has more than five years of experience in the top post and has supporters interlarded throughout the bureaucracy, would require more time and more stamina than is available to most elders. Finally, the old guard is far from unified on succession questions, and key elders like Yang Shangkun and Xi Zhongxun are likely to back Deng's arrangements solidly. [REDACTED]

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56. *The Reformers Factionalize.* It is possible that the group that has come to be known as the reform coalition or reform faction will subdivide into mutually exclusive groups once the stabilizing influence of Deng Xiaoping is removed. It is not uncommon within Chinese personal loyalty-based groups for the erstwhile subordinates to contest each other bitterly for leadership once the chief is gone, and even to break up the group in the process. Because the reform program itself is more an operational ethos than a specific set of policies or principles, the group's loyalty to constituent members might easily be strained in a post-Deng era. There have already been rumors and some indications of tension between Hu Yaobang and Zhao Ziyang, and personal feuds between other reformers would seem equally possible. If these break out in a period shortly after Deng's death, they could throw the succession situation into considerable turmoil. []

57. We believe, however, that reformers are as committed to at least the image of political unity and stability as are the party elders, and would seek to submerge their differences and avoid damaging the party's legitimacy through internecine quarreling, at least during the early phase of succession. They would have the additional motives of wanting to avoid giving conservatives any political advantage, and of making sure that the positive results already achieved through reform would not be lost to traditional factional infighting. We believe that Deng's efforts to disperse power within the system to different institutions might also help lessen the temptation to engage in personal power struggles. In the second stage of the succession process, however, we believe that readjustment or even dissolution of the current reform coalition is a greater likelihood. []

58. *Soldiers in Command.* We believe that an armed coup or the installation of a regime dominated by soldiers is an extremely remote possibility. Perhaps under conditions of escalating social disorder following Deng's death, the Army might be called on to control violence. In our view, however, China's senior military leaders would not otherwise dare to order their troops to "storm the palace" should the post-Deng team not suit them. Moreover, the system of political controls that penetrates the military structure at every level is specifically designed to alert the civilian party of putschist activity. Nonetheless, it is clear from the customary caution with which civilian leaders handle the military, that, from Deng on down, they are wary of the Army and perhaps believe that a well-placed, well-organized group of armed conspirators could gain military control of China. []

59. *The Left Resurgent.* If it is presumed that Deng, by the sheer force of his personality and political connections, has been able to suppress the recrudescence of Cultural Revolution-style leftism, his death may, under some circumstances, presage an attempt by more orthodox Maoists to recapture political leadership. However, there is no current member of the Politburo or Secretariat who would be likely to lead or even support a "leftist" resurgence, and the constituency within the party or society for such a movement is virtually nil. In our estimation, there is almost no possibility of a leftist revival over the next five years. []

60. We believe that Chinese leftists—whose numbers have rapidly dissipated but pockets of whom remain at lower levels—will have few opportunities to undertake the political offensive. The Cultural Revolution and the policies it spawned are abhorred by most Chinese. The current party, state, and military structures are heavily populated with officials who were persecuted during that period and who would sternly resist a return to its policies or leaders. []

61. *Implications for China's Future Policies.* In our view, one of three basic policy orientations may characterize China after Deng, each one generally dependent on the personality and style of the leader who emerges as dominant:

— *Impatient for Success.* A party dominated by Hu Yaobang would, in our view, be the closest approximation to China under Deng during his most enthusiastic moments. Hu has displayed much of Deng's impulsiveness without having the commensurate prestige or political acumen to know when and how to accommodate himself to opponents. In our view, the reforms would proceed basically as they have to date, subject perhaps to more frequent lurches between periods of reformist zeal and the determined braking efforts of moderates. We also believe that Hu is more stridently nationalistic than any of the other principal contenders for party leadership, which may find expression in China's relations with the West.

— *Cool and Deliberate.* The party under men like Hu Qili or Zhao Ziyang would move in a more calculated fashion and would be less prone to grandiose gestures than either Deng or Hu Yaobang. We read both Zhao and Hu Qili as more inclined to compromise than Hu Yaobang. Policy continuity with the Deng era would be maintained, but the pace of reform under a Zhao-Hu Qili leadership would be steadier, although slower, and more internationalist in perspective.

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— **Hidebound and Conservative.** A regime dominated by party elders would probably be a temporal phenomenon. If determined to override many of the views of younger reformist leaders, we believe they would not reverse, but rather would limit the pace and scope of the reforms. We would expect such a regime to pay exaggerated attention to such traditional concerns of the party as social control, official work style, ideological orthodoxy, and perhaps socialist internationalism. In foreign policy, conservatives may see more openings for warmer relations with the Soviets but would perhaps be more nativist in basic orientation than even Hu Yaobang.

Implications for the United States

62. **Can the United States Influence Succession Outcomes?** Even in the years that preceded the warming trend in US-Sino relations, Beijing was sensitive to developments in Washington. Following the normalization of diplomatic relations in 1979, foreign relations, and Sino-US relations in particular, have played a small but significant role in domestic Chinese politics. Because a key presupposition of reform has been the desirability of Western and Japanese participation in the Chinese economy, some observers believe that the United States can help Deng and his allies consolidate the reforms by accommodating Beijing whenever possible on economic and political questions. Washington, in other words, can help Deng demonstrate to doubters within the Chinese policymaking elite that he can “deliver” on foreign policy questions.

63. US influence over succession outcomes, however, is mostly negative. Stabilized relations between Washington and Beijing benefit the reformers only modestly. When Deng dies, most leaders probably will place foreign relations far down the priority list while they tend to more immediate problems. Under these circumstances, the United States could probably only affect the succession in a negative way, by destabilizing relations with China. In other words, by taking such actions as greater cooperation with Taiwan, discriminating against Chinese exports, or restricting Chinese access to American technologies, the United States could strengthen the conservative, anti-Western forces in the leadership. Conversely, although the United States conceivably could improve the political position of the reform group by behaving more cooperatively on Taiwan, trade, and technology, it is more

likely that any US behavior *that can be perceived in Beijing* as an effort to facilitate a solution to succession questions favorable to US interests would injure those very interests we seek to advance. This is so because the United States would risk laying reformers open to the charge of having permitted foreign or even “imperialist” interference in China’s domestic affairs.

64. The fact remains, however, that, if policy concerns in general will not be controlling during the succession, then foreign policy considerations—short of a serious development affecting the strategic environment—will at most be marginal. The effect on the succession of a serious foreign policy crisis is difficult to predict. Under some circumstances, the policymaking elite may regard leadership continuity as the only feasible way to meet a potential international challenge—“don’t change horses in the middle of the stream.” Under different circumstances, it is conceivable that the incumbent leadership may be part of the problem and that personnel moves may ease a crisis toward resolution.

65. **Succession Outcomes and US Interests.** Despite the periodic fear of governments’ dealing with China that Beijing will revert to a more radical, ideologically driven foreign policy, we believe there is little chance that this will happen. After all, the decision to improve relations with the West was made by Mao during the Cultural Revolution, and Chinese behavior since that time suggests a virtually unanimous view within the leadership that strategic calculations transcend ideology. In our view, Beijing will continue to pursue a pragmatic orientation in foreign policy regardless of successor regimes. This is not to say that successor regimes will similarly appraise China’s relations with both the USSR and the United States. Indeed, Deng is China’s most anti-Soviet leader, and once he is gone we expect the chances for substantially warmer relations with Moscow to increase, perhaps to the point of party-to-party relations within the next five years.

66. It should be recognized that—again, regardless of successor regimes—Chinese foreign policy will continue to have strong ideological and nationalistic content. The ideological content may impel Beijing toward closer “fraternal” relations with socialist states but will otherwise be a benign factor. We believe that nationalism is a much more volatile strain in Chinese policy deliberation, and successor regimes, especially at their outset, are likely to react more quickly to perceived slights involving questions of sovereignty or national dignity.

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67. We believe that all possible succession regimes, proceeding from strategic calculations, will value continued good relations with the United States. Successor regimes, according to the character of their dominant personalities, are likely to differ in the relative weights they assign to pragmatic, ideological, and nationalistic calculations in foreign policy, and therefore in the way they regard their relations with the United States. For example, the nationalism of second- and third-echelon succession regimes generally is likely to be more pronounced than under Deng, who along with many of his generational peers has substantially greater foreign experience and is far more cosmopolitan than most of China's future leaders. []

68. Taiwan will remain the most important potential obstacle to smooth Sino-US relations. The new leadership will have, in our view, three broad options to choose from: continuing the current policy of overlooking Sino-US differences on Taiwan in the interest of other foreign policy objectives; raising the priority of national reunification and, within those limits, pursuing more vigorously efforts to enlist US assistance in bringing Taipei into negotiations; and renouncing the policy of peaceful reunification in favor of fixing a deadline and undertaking a policy of reunification by whatever means necessary. These considerations will be complicated by the fact that Taiwan, too, will be undergoing a succession period, with its attendant political uncertainties possibly changing Beijing's perceptions of what is necessary and possible. []

69. Over the next five years, however, we estimate that China's interests are best served by continuing to operate within the confines of peaceful reunification: no successor government will coerce or precipitate an attack on Taiwan to achieve reunification. Foregoing a more belligerent policy is, in our view, a more practical course for Beijing, and one that preserves for China the broadest array of foreign and domestic policy options. Moreover, we tend to believe that, over time and as the generational transfer of power proceeds, the Taiwan issue will lose its immediacy as the symbol to the leadership of "the revolution unfulfilled." We do not believe, however, that Taiwan will cease to be an issue in Sino-US relations: precipitous action in Washington, Taipei, or Beijing could cause a flareup at any time. But, for the period of this Estimate and under most successor regimes, Beijing will continue to be cooperative if the Taiwan question is appropriately finessed. []

70. The heirs to Deng will inherit the regional problems that Beijing now confronts, all of which are directly related to the condition of Sino-Soviet relations: eroding relations with North Korea, continued hostilities with Vietnam, periodic problems with Japan; the Soviet military buildup on the northern border and in the South China Sea; continued Soviet occupation of Afghanistan; and instability in and the threat of US military withdrawal from the Philippines. It is possible that a successor regime would view the problems as interrelated and seek progress across a broad front by reaching a new accommodation with the Soviets, at the expense of US regional interests:

— The regional interests of the United States would best be served, in our view, by pragmatic, moderate leadership that men like Zhao Ziyang or Hu Qili could provide. Zhao has long been one of the strongest supporters of closer Sino-US ties in the leadership. Hu Qili, although less well known, has impressed domestic and foreign observers alike as a realistic man who places ideology in a practical perspective. Hu's relative youth and inexperience would doubtless place him under very different pressures from those that now operate on Zhao and Hu Yaobang, and he may be more prone to the pulls of nationalism, especially under the influence of remaining party elders. A moderate leadership would, in our view, be far less inclined to stir up trouble over Taiwan or work very hard for close Sino-Soviet ties.

— We would expect a regime dominated by Hu Yaobang to maintain the general orientation of China's foreign policy but to be less steady, perhaps more mercurial. A less experienced hand in foreign policy, Hu probably would be more difficult to deal with than Deng. Hu is, moreover, poised to play a strong role in foreign policy whether or not he is openly acknowledged as China's principal leader: his continuing grip on the foreign policy apparatus through Minister Wu Xueqian and other ministerial appointees seems solid in the short term. The product of a relatively narrow international perspective with strong overtones of "socialist internationalism," Hu may see more openings for better relations with the Soviets than other reformist leaders.

— Short of the highly improbable resurgence of China's radical left, a conservative leadership composed of men like Chen Yun or Yao Yilin is the worst succession outcome for US interests in

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Asia. The traditional old guard are far less inclined toward the domestic economic priorities—the opening to the West, special economic zones—that drive the foreign policy of the reformers. The old guard, in our view, will be far more likely to carry the torch on Taiwan as well. Moreover, although not pronouncedly pro-Soviet,

the conservatives worked closely with the Soviets on the first five-year plan and the creation of China's industrial base during the 1950s, and almost certainly will have fewer inhibitions over drawing closer to Moscow for economic purposes and perhaps on some foreign policy questions.

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